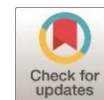


■ PRELIMINARY COMMUNICATION

Exploring Private Label Perception through Projective Techniques: Insights for Retail Brand Strategy and Business Performance



Sandra Horvat

University of Zagreb, Faculty of Economics & Business, Zagreb, Croatia
shorvat@efzg.hr  <https://orcid.org/0000-0002-9324-6960>

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ABSTRACT

Purpose: This study uses projective techniques to explore how consumers perceive private labels and provides retailers with actionable findings for developing successful private label strategies. **Design/Methodology:** The research employed a qualitative design using two projective techniques, word association and a combined sentence completion and role-playing task, on a sample of 98 graduate students from the University of Zagreb. **Findings:** Projective techniques help uncover how consumers evaluate private labels by using a rational risk-reward analysis based on price and quality. Spontaneous associations confirm that price and affordability remain the primary mental triggers, but the decision to purchase is a value-driven substitution, frequently rationalized as receiving “equal quality at a lower price”. The study establishes a strong link between private labels and the retailer’s identity. **Practical Implications:** From a managerial perspective, the results indicate that retailers must move beyond simple low-price positioning and focus on communicating superior value and tangible savings. Managers should address quality polarization by actively improving product quality, cooperating with local suppliers, and using explicit quality-assurance claims to mitigate perceived risk. At the same time, they should recognize that confidence in private labels is fundamentally tied to the retailer’s image. **Originality/Value:** What is new in this study is the use of projective techniques in this context, which leads to several specific implications for retailers.

Keywords: private labels, projective techniques, word association, sentence completion, consumer perception, retail brand strategy

JEL codes: M31

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1. Introduction

Private labels or brands owned by retailers have historically been positioned as low-quality substitutes for national brands (Ndlovu, 2024), characterized by both low price and inferior quality (Valaskova, Kliestikova & Krizanova, 2018). However, with time, their positioning and perception have started to change (Durmaz et al, 2024). Due to their increasing importance, retailers have put more emphasis on private label management, which resulted in higher levels of innovativeness, increased product quality, investments in packaging and all elements of brand identity leading to higher competitiveness across diverse product categories and quality tiers (Cuneo et al., 2019). Their value proposition changed from a focus on low price to superior value achieved through quality at par to a national brand with substantially lower prices (Vranešević, 2016).

Although this change is positive compared to traditional positioning, private labels are still lagging behind manufacturer brands as leaders in innovation and new product introductions, while private labels tend to follow these trends (Gielens et al., 2021). Nonetheless, recent market evidence points to a significant shift in consumer perceptions and purchasing behaviour when it comes to private labels. According to PLMA (2024) and NielsenIQ (2024), over 80% of consumers perceive private label quality as equal to or even superior to that of manufacturer brands.

How consumers view private labels directly affects retailers' brand strategies and, in turn, their business performance. In today's highly competitive market, many retailers use private labels to differentiate their stores. In that aspect private labels increase customer loyalty and allow retailers better bargaining power in relation to manufacturers (Horvat, Komarac & Ozretić Došen, 2021; Steenkamp, 2024). Private labels now often feature premium and niche tiers (Stoppacher et al, 2024), such as sustainable or local sourcing, innovative recipes, or modern packaging, leading to emotional engagement and strengthening the consumer–retailer relationship (Keller, Dekimpe & Geyskens, 2022). Consequently, private labels have become key strategic assets that contribute not only to retailers' brand equity but also to their long-term competitive advantage and market performance (McKinsey & Company, 2023).

Retailers increasingly need to understand how consumers' perceptions of private labels are changing. However, capturing these perceptions poses a challenge. Research indicates that consumers frequently rely on implicit, emotional, and symbolic cues, rather than explicit or rational evaluations, when forming attitudes toward products (Hussey & Duncombe, 1999). Traditional quantitative or direct questioning methods may fail to uncover the deeper, subconscious motivations and associations that influence purchasing behaviour and brand attachment. This limitation is particularly relevant in the context of private labels, where it is often not socially acceptable to favour "inferior" brands (Fuduric et al., 2022).

To address this challenge, researchers increasingly use projective techniques i.e., indirect research methods developed to obtain respondents' underlying beliefs, emotions, and associations. Instead of asking participants directly about their opinions, through these techniques, researchers present different stimuli to respondents, such as images, stories, or scenarios, with a goal to project their thoughts and feelings onto them. In that way, respondents are more inclined to reveal their latent perceptions, which they might not be able or willing to articulate consciously (Hussey & Duncombe, 1999). Recent literature highlights the growing value of projective techniques in exploring implicit aspects of consumer behaviour (Spry & Pich, 2021; Khan, Pich & Spry, 2023). Despite their potential, the application of projective techniques in the study of private label perception remains limited.

This study applies projective techniques to private labels, an area that previous research has largely overlooked. Its goal is to generate findings that can help retailers develop

more effective private label strategies. By uncovering the underlying aspects of how consumers perceive private labels, the study adds to existing theory and offers practical insights into how retailers can strengthen their private label brands and use them as strategic tools for differentiation, profitability, and long-term competitiveness.

2. Literature review

2.1. Change in private label perception

Private labels are defined as products developed and owned by retailers, sold exclusively in their stores and directly competing with established manufacturer brands (Sutton-Brady, Taylor & Kamvounias, 2017; Kobuszewski Volles, Van Kerckhove & Geuens, 2023). Although retailers do not produce private labels themselves (Baltas, 1997), they are responsible for product development, pricing, distribution, and promotion (Scott Morton & Zettelmeyer, 2004), and are accountable for product defects (Kilian, Walsh & Buxel, 2008). Because retailers initially lacked experience in product development and production, private labels were first positioned as low prices alternatives to attract consumers. This strategy was justified at the time, as it was difficult to compete with established manufacturer brands. However, this cost-leadership approach led to an inferior positioning of private labels compared to national brands that were building awareness and connection with consumers through increased advertising (Gielens, Geyskens i Dekimpe, 2025; Verhoef, Nijssen & Sloot, 2002). This historical perception gap, especially in product categories where quality is difficult to assess (Semeijn, van Riel & Ambrosini, 2004), often encouraged consumers to favor manufacturer brands to reduce perceived purchase risk (DelVecchio, 2001, Nenycz-Thiel & Romaniuk, 2009).

Additionally, since private labels are usually present only in stores of their owner, their perception is inexplicably linked to the retailer who owns them (Bonfrer & Chintagunta, 2004). This notion urged a change in retailers' strategy related to private label management because an inferior private label perception could also hinder their perception. On the other hand, if managed right, private labels offer numerous advantages to retailers like differentiation, increased competitive advantage, and customer loyalty (Valaskova, Kliestikova & Krizanova, 2018, Gielens et al., 2023). As a result, retailers' initial focus on sales and short-term profit (Wileman & Jary, 1997) was gradually replaced with adaptation of strategies traditionally associated with manufacturer brands (Halstead & Ward, 1995) like investment in quality and development of brand identity, increased communication etc. The focus on low prices was replaced with a focus on better value private labels provided through good quality at lower prices (Vranešević, 2016). Perceived value, defined as the consumer's assessment of a product's utility relative to price and non-monetary factors (Zeithaml, 1988), has become one of the main reasons why private labels succeed. Research by Sweeney & Soutar (2001) confirms that components of value, namely functional, emotional and social value, significantly predict private label purchase intentions. Improving perceived value through marketing activities, such as in-store promotions and product sampling (Wang, Kalwani & Akçura, 2007), and increasing familiarity can help narrow the quality gap making it difficult for consumers to distinguish between private labels and national brands based purely on functional attributes (Ebrahim et al., 2016). Today, approximately 85% of European and 75% of American consumers are actively purchasing private labels (PLMA, 2024; NielsenIQ, 2024). This success mainly reflects two trends: better quality at lower prices and a weaker focus on brands when choosing products (Raju, Sethuraman & Dhar, 1995). Private labels are now chosen not only for price but also for improved quality and innovation (PLMA, 2024; NielsenIQ, 2024). This positive shift is driven by substantial retailer investment in innovation, product testing, and creating brands that offer added value (PLMA, 2024). Private labels are now present in different quality tiers, offering even

premium products, sustainable packaging, unique products and marketing communication developed to increase emotional attachment (Keller, Dekimpe & Geyskens, 2022).

Although retailers' investments in quality have changed quality perception (Chaniotakis, Lympieropoulos & Soureli, 2009) their job is not done since "brand gap" remains a significant obstacle for private labels (Rossi, Borges & Bakpayev, 2015; Bronnenberg, Dubé & Sanders, 2020). Rossi et al. (2015) found that consumers favour private labels in the blind tests however when they see the brand while testing the product, they favour manufacturer brands. Similarly, Bronnenberg et al. (2020) reported that although 81% of respondents explicitly viewed private labels as comparable goods to manufacturer brands, only 44% stated a preference for them. These results show a clear mismatch between consumers' explicit (stated) and implicit (unconscious) attitudes. Research on private labels and manufacturer brands is predominantly using explicit, self-reported measures (Burton et al., 1998; Garretson, Fisher & Burton, 2002; Liu & Wang, 2008; Sandes, Farias & dos Santos, 2016; Sansone, Colamatteo & Pagnanelli, 2018). Although they offer numerous benefits, it is important to acknowledge that sometimes it is difficult for consumers to articulate their opinions explicitly (Wörfel, 2021; Rezaei, 2021). As blind tests have shown, there are also some inconsistencies in consumers' responses and a potential problem of social desirability bias in evaluating private labels (Fisher, 1993; Heuer, Rinck & Becker, 2007; Dimofte, 2010). To address this issue, researchers can use projective techniques as an indirect method of studying private labels.

2.2. Projective techniques in private label research

Projective techniques are a group of qualitative research methods that originated in clinical psychology and were later adapted for marketing (Mesías & Escribano, 2018). Their main purpose is to reveal thoughts, feelings, and motives that people do not express directly (Spry & Pich, 2021; Khan, Pich & Spry, 2023). The use of different ambiguous or loosely defined stimuli (e.g., words, images, or incomplete scenarios) and the fact that questioning is not highly structured, helps consumers feel more comfortable and project their attitudes onto the stimuli. Projective techniques help reveal consumers' true feelings and thoughts by allowing them to relax and express themselves freely, often viewing the activity as a game (Gambaro, 2018). They encourage creative, non-rational expression, allowing researchers to uncover hidden emotions, beliefs, and motivations that may be repressed or socially constrained. In that way researchers can tap into both the conscious and unconscious mind, spontaneously revealing the factors most relevant to consumer perception (Esmerino et al., 2017). This indirect approach reduces social desirability bias, fear of being judged, and difficulties in expressing feelings (Vranešević, 2014). That is why projective techniques are widely used in market research for strategic purposes, including identifying market opportunities, generating hypotheses, and comprehending consumers' subconscious perceptions of products and services (Sass et al., 2018).

Qualitative projective techniques are easy to prepare and tend to make participants more relaxed and open. Their creative, non-intrusive nature reduces anxiety, overcomes language and cultural barriers, and encourages deeper expression. Additionally, these playful methods make data collection more enjoyable and help combat research fatigue for both participants and researchers (Spry & Pich, 2021).

However, they also have drawbacks: they rely on subjective interpretation and require experienced interviewers and analysts. Without careful evaluation, responses may lose meaning, and researchers risk influencing results with their own biases. To improve reliability, these methods could be combined with other research techniques, as they effectively complement structured tools by uncovering hidden motivations and emotions (Campos et al., 2020).

Linzey (1959 as cited in Doherty & Nelson, 2010) identified five main types of projective techniques, each distinguished by the kind of response they generate:

- Associative techniques: Participants are given a stimulus (e.g., word, concept, idea, picture etc.) and asked to provide the first thought or idea that comes to mind, without much deliberation.
- Construction techniques: Respondents are asked to create something, such as a story or image, based on a provided instruction.
- Completion techniques: Respondents are given an unfinished stimulus, like a sentence or cartoon with empty speech bubbles, and asked to complete it.
- Choice or ordering techniques: Participants are required to choose from a set of alternatives or arrange items or statements in a specific sequence.
- Expressive techniques: Respondents use a provided stimulus as part of a creative activity, such as acting out a role or scenario.

Most common projective techniques in consumer/marketing research include word association, completion techniques, and role-playing (Vranešević, 2014; Eldesouky, Pulido & Mesias, 2015; Sass et al., 2021). Word association is a widely applied "association task" that includes exposing the respondent to a verbal or visual stimulus and asking participants for the first spontaneous word or thought that comes to mind (de Alcântara et al., 2024; Esmerino et al., 2017). This is a very simple technique, but it can reveal many interesting insights. Completion techniques are a research method in which the respondent is asked to complete unfinished sentences or stories. The resulting responses are presumed to reflect the participant's genuine thoughts, feelings, and attitudes about the subject in question (Vranešević, 2014). The third technique is role-playing. In this technique, the participant is asked to speak on behalf of someone else, either a real or imaginary character. In this way, respondents reveal their thoughts and feelings, although they do so through another person, which reduces the fear of potential social judgment (Vranešević, 2014).

The literature shows that although private labels have improved in quality and offer good value, there are still discrepancies in how consumers perceive them. Available studies highlight the enduring "brand gap" and the influence of subconscious biases, social desirability, and difficulty articulating true preferences. Because traditional research relies heavily on self-reported measures that may not capture these deeper and less accessible evaluations, the literature strongly supports the need for methods capable of uncovering underlying latent perceptions. Because of these advantages and the limits of traditional methods, this study uses projective techniques as its main approach. The specific types of projective techniques: word association, sentence completion and role-playing; were selected due to their proven efficiency in different areas of marketing research.

3. Methodology

To explore consumers' subconscious thoughts about private labels, the study used two projective techniques: word association and a combination of sentence completion and role-playing. For word association, respondents received the phrase "private label" and were instructed to provide as many associations as possible without much deliberation. They were told there were no right or wrong answers and that they should freely say the first thing that came to mind.

Next, participants were shown a picture of a woman in a store looking at a box containing an unspecified product. Above her head was a speech bubble with the phrase, "I could buy this private label..." Respondents were instructed to put themselves in her position and complete the sentence.

After the projective techniques, respondents were asked to name private labels they were familiar with and indicate how often they purchased private labels. At the end of the study, participants also reported basic demographic information.

The research was conducted on a sample of graduate students at the University of Zagreb, Faculty of Economics & Business. The final sample comprised 98 respondents, with a gender imbalance: 74 female and 24 male participants. The average age of the group was

26 years. Regarding private label purchases, the majority of participants (94 out of 98) fell into the moderate to high purchase frequency groups, with 53 buying private labels sometimes and 41 buying them often. Very few respondents reported extreme purchase frequency, with only 2 buying private labels rarely and 2 buying them every day.

All spontaneous associations with the phrase “private label” were coded by grouping similar words or ideas into meaningful categories. The categories were defined based on the literature review, with the main ones being price, quality, value, and retailer. Associations not linked to the predefined categories were classified as “other” and later grouped into categories such as target market, packaging, and innovativeness. Similarly, responses to the sentence completion scenario were coded based on motives identified in the literature and mentioned by respondents, such as “cheaper,” “same product,” and “better value for money.” The codes were then compared across tasks to identify themes in consumers’ subconscious perceptions toward private labels.

To add depth, the results section includes short verbatim quotes along with counts of how often key words or themes appeared.

4. Results and discussion

The first part of the research focused on associations related to private labels. The analysis shows how consumers typically think about private labels, clearly prioritizing functional value (price) and product performance (quality) over intangible brand elements.

Price and affordability are the most dominant themes in consumer associations. The most common term is “cheaper,” with 38 mentions, followed by “lower prices” with 22 and “more favorable” with 19 mentions. Many similar price-related terms were mentioned only once or twice, such as “savings,” “more economical,” and “cheap.” Notably, associations related to the price of private labels are primarily focused on comparison rather than the price itself. For example, “cheaper” is mentioned 38 times, while “cheap” appears only once. Additionally, respondents associate sales promotions with private labels, as indicated by terms like “sale” (4), “discount” (2), “coupons” (1), and “2+1” (2). “Good value for money” was mentioned only 5 times. The frequent use of words such as ‘cheaper’ and ‘lower prices’ shows that consumers mainly see private labels as a way to save money. Consumers spontaneously and implicitly define private labels as a means to achieve better price deals and savings.

Beyond price, the analysis shows that quality is also a dominant association. However, consumer associations reveal a strong divide between those who perceive private labels as products with “good quality” and those who see them as having a “lower level of quality.” There is a tendency towards a positive attitude regarding quality (30 mentions) compared to negative sentiment (21 mentions). Ten respondents described private labels as “substitutes” or “replacement products.” Interestingly, two respondents said private labels are “underrated when it comes to quality,” and one “evaluated quality based on trust in the retailer.” These results suggest that consumers actively question quality, which fits the traditional view of private labels as riskier choices. The appearance of “good” alongside “lower” (often modifying price or quality) suggests that while quality is improving, it remains a polarizing, non-uniform factor that consumers must actively verify with each purchase.

The retailer is the third pillar in the perception of private labels. Association analysis shows that private labels “reflect the retailer,” “help to identify a retailer” through “distinctive packaging,” and influence the retailer’s “image.” Respondents also note that private labels “can be bought only at the specific retailer,” enabling “differentiation,” “competitive advantage,” and “loyalty.” This indicates the interdependence between a retailer and the private labels it owns.

Spontaneous associations reveal that the current consumer mindset views private labels primarily through a rational, high-value lens (cheaper option or quality for a better

There were four associations related to the target market, showing differences in perception. Two associations stated that private labels were developed for “pensioners” and two for “students,” both groups typically seen as more price sensitive due to budget constraints.

Using generative AI, the results were visualized in a word cloud shown in [Figure 1](#).



Figure 1
Word cloud of associations to the private label concept.

Note. Source: Author's research; visualization created with the help of the Gemini platform.

The word cloud shows that most associations relate to price and quality rather than emotional aspects. Key findings show that “quality,” “price,” “cheaper,” and “lower” are the most prominent words, indicating that product evaluation is mainly a risk-reward analysis. Specific retailer names such as “Konzum” and “Lidl” are highly visible, demonstrating that associations with private label products are closely tied to the retailer’s brand identity. Terms like “affordable,” “budget,” and “savings” further reinforce the primary positioning of private labels as a strategic economic choice.

The second part of the research applied projective techniques to uncover motivations for buying private labels. Analysis of sentence completion responses reveals a highly rational and comparative decision-making process dominated by price. Almost all respondents mentioned price as a reason for choosing private labels, with “equal quality at a lower price” being the most common response (45 mentions). As one respondent stated: “I could buy this private label because it is a good price for the quality, it is affordable and meets my needs.”

A sole focus on lower price was evident in 28 responses. Consumers are not simply buying the cheapest item; they are making a deliberate, informed substitution, as seen in the response: “because based on the ingredients, it can be concluded that the product is of the same quality as other branded products, but is more affordable than them.”

Motivations are often stated as “because the private label is the same quality for a cheaper price than other brands” or “it is probably the same product as the more expensive

one, just not as expensive because it is a private label, not a well-known brand." This suggests that the purchase is a conscious, active choice against the manufacturer's brand, reinforcing the idea that the perceived "quality gap" has narrowed enough to justify the price savings.

Other reasons for buying private labels include "brand loyalty," "good taste," "larger quantity for the same or lower price," "good reviews," "wide assortment," and "visually attractive product." Visual attractiveness is the most surprising factor, given that association analysis linked packaging to negative perceptions. Another reason cited is that "they are produced by famous producers and sold for a cheaper price." The decision to purchase private labels is driven by a strong, conscious trade-off between price and perceived quality, often in direct comparison with manufacturer brands. The low price serves as the initial attraction, but the purchase is validated only when the consumer judges the quality to be "good" or "totally OK," meaning it meets or exceeds their minimum acceptable threshold, making the private label a viable choice.

The presence of comparative terms like "same product as well-known/branded" confirms that the motivational strategy is often one of substitution. Consumers rationalize their choice by stating there is "no point in spending more money on the same product from a better-known brand." This indicates that functional and monetary benefits outweigh the intangible brand equity offered by the manufacturer, demonstrating a rational victory over brand loyalty in many purchasing decisions. The final aspect of the analysis is familiarity with different private labels available on the market, as presented in [Table 1](#).

The analysis of private label recall frequencies reveals a highly concentrated structure of consumer awareness, dominated by a few strong retailers and their private labels. The most frequently recalled brand is "K Plus" (92 mentions), owned by market leader Konzum. This is unsurprising, as K Plus consistently remains top of mind among private labels. Its dominance is further reinforced by 62 respondents naming K Plus as the first brand they recalled. K Plus is a strong brand with a long market presence and covers most product categories sold by Konzum, following a branded house strategy. This strategy is also used by "S BUDGET," the second most recalled private label. S BUDGET was mentioned by 73 respondents, and for 11 of them, it was the first brand mentioned. Since S BUDGET is positioned as a budget private label, such strong recall is somewhat surprising but can be attributed to effective positioning, active promotions, and the unfavorable economic situation due to rising living costs. "Balea," one of the first private labels on the Croatian market, ranks third despite its focus on the personal care segment. "K-Classic", Kaufland's private label, also has a high recall rate. Notably, the most frequently mentioned brands use a branded house strategy, meaning they are present in many different categories. While developing private labels for specific product categories allows better adoption within those segments, general recall is higher for private labels present across categories, as consumers are more frequently exposed to them.

Table 1*Private label recall frequency.*

Private label	Frequency
K Plus	92
S BUDGET	73
Balea	49
K-Classic	42
Pilos	25
Cien	14
Okusi zavičaja	13
Alverde, Clever	10
Aveo	9
Denkmit	8
SPAR Premium	7
K-Bio, SPAR	6
Aro, Milbona	5
dmBio, Doline, Lupilu	4
DESPAR, MIA BELLA, nature*pur, TQ, Ultra plus	3
bio&bio, Bipa, Blink, Crivit, Lidl Deluxe, Minute, Olea, Plodine, trend !t up, W5	2
Babylove, Bevola, BI CARE, BIGOOD, BI LIFE, Bio Zone, Crownfield, Dax, Ebelin, Era, Esmara, Garden Good, Gelatissimo, IKEA, Jessa, K-take-it-veggie, Kipsta, Kuniboo, Land, Look by Bipa, Lumpi, Metro Chef, metro Premium, Mister Choc, Mivolis, Naše mi najbolje paše, NTL, Ocean, Parkside, Pikok, Rioba, Saguaro, SensiDent, Soft Dream, SPAR Vital, Sweet Chef, T (Tommy), Today	1

Note. Source: Author's research.

K Plus (92), S BUDGET (73), Balea (49), K-Classic (42), and Pilos (25) account for the majority of total responses, indicating that Croatian consumers primarily associate private labels with the dominant retailers Konzum, SPAR, Kaufland, Lidl, and dm-drogerie markt as a leading drugstore. This suggests a strong link between retailer market share and the visibility of their private label portfolios. The highest recall of K Plus, Konzum's flagship private label, reflects both the retailer's extensive market coverage and the strong brand equity it has built over time. The high recall of S BUDGET and other SPAR private labels (SPAR, DESPAR, SPAR Premium, SPAR Vital, nature*pur) illustrates SPAR's successful tiered strategy in targeting different price-quality segments. Similarly, Balea, Alverde, and Denkmit highlight dm's strong brand equity in the personal care and household product categories. K-Classic, Kaufland's core private label, also shows a relatively high level of recall, emphasizing the retailer's growing position in Croatia's grocery sector. Pilos and Cien, both associated with Lidl, demonstrate moderate but significant consumer awareness across food and personal care lines.

Beyond these leading brands, the data reveal a long tail of low-recall labels, with over half of the listed private labels mentioned only once or twice. This pattern suggests that smaller or more niche private labels have difficulty gaining visibility. Category specialization is also evident: brands such as Balea, Cien, and Aveo are clearly associated with personal care; Pilos and Milbona with dairy products; and dmBio, K-Bio, and natur*pur with the organic and natural segment. Labels emphasizing local origin, such as "Okusi zavičaja" and "Naše mi najbolje paše", achieve moderate recognition, suggesting some consumer interest in products tied to domestic identity and regional authenticity.

Overall, the findings indicate that the Croatian private label landscape is characterized by a few dominant retailer brands with high consumer recall and a fragmented group of minor private labels with minimal awareness. Consumer perceptions of private labels appear to be strongly retailer-driven rather than product-specific, reflecting the power of large retail chains in shaping brand visibility and loyalty. For smaller or newer private labels, this means that strong marketing efforts, clear product differentiation, and careful strategic positioning are essential for building market recognition.

5. Limitations and future research

This study has several limitations that are important when interpreting the findings. First, the study used a convenience sample of graduate students from a single faculty, with a significant overrepresentation of females. This higher education level and gender imbalance limit the generalizability of the findings to the broader population. Second, although projective techniques are effective in uncovering subconscious perceptions, they rely on subjective interpretation by the researcher, which may introduce bias or variability in coding. Additionally, the study used only one verbal stimulus and one visual scenario, which may not capture the full range of consumer perceptions across different private label categories.

Future studies could address these limitations by using a more diverse and representative sample, including participants of different ages, education levels, and socioeconomic backgrounds to improve generalizability. Expanding the research to include different product categories or quality tiers would also help capture more nuanced perceptions of private labels. Moreover, combining qualitative projective techniques with quantitative implicit measures, such as the Implicit Association Test (IAT) or neuromarketing tools (e.g., eye-tracking, EEG, or fMRI), could help researchers better understand consumers' subconscious perceptions.

6. Conclusion

This study used projective techniques, specifically word association and a combination of sentence completion and role-playing, to overcome some of the limitations of traditional explicit surveys. These projective techniques were valuable in uncovering the core, subconscious evaluation framework consumers use, which prioritizes a rational, high-value, risk-reward analysis based primarily on price and quality. The positive experience with these techniques suggests that indirect methods could be used more often in private label research to access deeper, often hidden motivations that standard tools do not capture.

The results shed light on how consumers perceive private labels through word association. Spontaneous associations indicate that when considering private labels, respondents rely on highly rational and functional evaluations, with price and quality as dominant factors. Price and affordability are primary mental triggers, with "cheaper" and "lower prices" as leading associations. However, price is not the only factor; consumers use price to assess value, either through the price-quality ratio or direct comparison with manufacturer brands. Despite lower prices, consumers will purchase private labels when they perceive the quality as acceptable. Consumers do not have a unified perception of private label quality but rather a polarized view between good and low quality, with positive associations

somewhat more prevalent. Overall, consumers do not choose private labels based solely on performance but on value-driven substitution. The analysis also found that private label associations are closely linked to the retailer's identity, image, and ability to differentiate, with high recall frequencies confirming that private label visibility and equity are strongly influenced by the market share and branded house strategy of leading retailers.

For retailers, the findings translate into several practical steps. Retailers should continue developing private labels as brands to further reduce both the "quality gap" and, especially, the "brand gap." Private labels should move beyond simply communicating low prices and instead emphasize the price difference that creates a superior value proposition and tangible savings. As the results indicate polarization in quality perception, retailers should focus on further improving product quality, collaborating with local suppliers and small entrepreneurs, and communicating explicit quality assurance claims – such as independent certification or satisfaction guarantees – to directly address perceived risk in the consumer's purchase decision. This standard of quality consistency must be maintained across the entire portfolio, especially for those using a branded house strategy, as failure in one category can negatively affect the retailer's overall image. As shown in this research, confidence in private label products is tied to the retailer's image, which serves as the central mechanism of trust, so investing in private label quality will yield multiple benefits for overall business success.

Retailers must invest in visually appealing and modern packaging to counter negative associations ("simple," "modest looking") and signal quality. They should also leverage emerging positive attributes by developing private labels, sub-brands, or lines that explicitly target values such as innovation or support for domestic producers, building destination loyalty that goes beyond the initial price-driven motive.

To maintain loyalty and continue growing, retailers will need more targeted and well-planned private label strategies. The market is highly concentrated, with consumer awareness dominated by the private labels of a few leading retail chains, indicating that visibility and loyalty are strongly retailer-driven. Therefore, strategies should include reinforcing the belief that private labels come from reliable manufacturers and considering a "smart private-label strategy" involving cooperation and joint innovation with manufacturer brands to expand the market. In the long run, retailers will need to keep innovating and carefully balance private and manufacturer brands if they want to stay competitive and perform well.

The article is relevant to UN Sustainable Development Goals:



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